

file DIA



CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

14 February 1975

MEMORANDUM FOR: Lieutenant General Daniel O. Graham, USA
Director, Defense Intelligence Agency

SUBJECT : Your Comments on "The Measurement and
Meaning of Defense Burden in the Soviet
Setting"

1. Thank you for your thoughtful and well-reasoned comments on our paper on the Soviet defense burden. Your comments will help sharpen and put into perspective the message that we are trying to convey.

2. As you point out, the paper does not consider Soviet political and power aims or the scale of Soviet programs measured in US costs. Its goal is quite different: that of presenting an analysis of the burden from an economic standpoint together with an examination of what we know about how the Soviets view the burden.

3. I agree that the paper might be misinterpreted. Indeed, this seems to have been the case. I believe that this can be corrected, however, and that the paper has a strong and important message. That is, the Soviet economy is capable of sustaining the magnitude and pace of the Soviet defense effort and that the Soviet leaders believe this to be the case. If this message--on which apparently we are in complete agreement--does not come across loud and clear, our exposition is at fault. I shall examine the paper again to make sure that we get this point across.

DIA review(s) completed.

MORI/CDF

4. I intend to distribute a revised unclassified (Official Use Only) version of the paper to a limited number of people working in the Soviet field. I am doing this because I believe we have an important contribution and because I would like to stimulate more dialogue with some key academics on the subject. We shall also include a discussion of the size of Soviet programs in dollar cost terms in the appropriate section of the paper.

5. As you know, we now have a number of projects under way with DoD/Program Analysis and Evaluation regarding the size of the Soviet defense effort and comparing US and Soviet programs. These are being undertaken at the request of the Secretary of Defense. It is my understanding that DIA and CIA STATINTL are in good communication at the working level in connection with these projects.



EDWARD W. PROCTOR
Deputy Director for Intelligence

Memorandum for Lt. General Graham
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STATINTL

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